5/053/066



State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt Governor Robert L. Morgan Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY www.nr.utah.gov

February 24, 2003

Preston Hafen Color Country Rock 291 East 1400 South, Suite #1 St. George, Utah 84790

Re: Status of Small Mining Project, Color Country Rock, Quail #45 Project, Washington County,

<u>Utah</u>

Dear Mr. Hafen:

On February 4, 2003, the BLM and I inspected your Quail #45 Project (inspection memo with photos enclosed). It is our understanding that the property was quit claimed to U.S. Gypsum in 2002. However, because the mining disturbance was created by Color Country Rock, you will be responsible for reclamation of the project unless U.S. Gypsum wishes to assume the mine permit and reclamation responsibility. We have enclosed a small mining transfer form (MR-SMO), if you wish to transfer the Quail #45 permit to U.S. Gypsum.

Because there is disturbance at the site, the permit fees remain due and payable. We have enclosed another billing notice for this purpose. If U.S. Gypsum wishes to assume the small mining permit and pay the past due permit fee, the fee payment can be submitted along with the transfer form. Otherwise, Color Country Rock remains responsible for the permit fee until the disturbance is fully reclaimed and you have received written release from this Division. Please be advised that all unpaid permit fees are being sent to the Utah Office of Debt Collections. If the past due permit fee is received within the next 10 days, we will withdraw this from the collections listing.

Please contact me at (801) 538-5382 within the next 10 days advising me of your intent. Thank you for your prompt reply to this letter.

Sincerely,

Doug Jensen

Senior Reclamation Engineer

jb
Enclosures: 2/4/03 inspection report; billing statement, MR-SMO form cc: Rick Rymerson, BLM (UTU-78928)
O:\M053-Washington\S053066-Quail45\Final\transfer.doc





Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

COLOR COUNTRY ROCK 291 E 1400 S STE #1 ST. GEORGE UT 84790

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DELINQUENCY NOTICE Annual Permit Fees (July 2002 thru June 2003) PROJECT NAME **PROJECT ID** ACRES **BILLING DATE** QUAIL #45 \$530066 06/27/2002 NA PERMIT TYPE **PROJECT STATUS** ANNUAL FEE SMALL MINING OPERATION < 5 ACRES INACTIVE \$ 150

DUE DATE	AMOUNT DUE		
03/07/2003	\$ 150		

Please see enclosed instructions for payment.

Please retain this portion for your records. For billing Information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

ACCOUNT BILLED COLOR COUNTRY ROCK			PROJECT NAME QUAIL #45		PROJECT ID
					S530066
DUE DATE 03/07/2003	ANNUAL FEE	AMOUNT DUE	FEE NOT ENCLOSED	Change o	of Address
DIV	X ID OR SOCIAL SE				0
		UT 84114-58	301	Phone	

Please make check payable to: Division of Oil, Gas and Mining